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09300HB4705ham001

LRB093 14711 MKM 47567 a

1 AMENDMENT TO HOUSE BILL 4705

2 AMENDMENT NO. _____. Amend House Bill 4705 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Counties Code is amended by adding Section
5 5-1014.3 as follows:

6 (55 ILCS 5/5-1014.3 new)

7 Sec. 5-1014.3. Agreements to share or rebate occupation
8 taxes.

9 (a) On and after June 1, 2004, a county board shall not
10 enter into any agreement to share or rebate any portion of
11 retailers' occupation taxes generated by retail sales of
12 tangible personal property if: (1) the tax on those retail
13 sales, absent the agreement, would have been paid to another
14 unit of local government; and (2) the retailer maintains,
15 within that other unit of local government, a retail location
16 from which the tangible personal property is delivered to
17 purchasers, or a warehouse from which the tangible personal
18 property is delivered to purchasers. Any unit of local
19 government denied retailers' occupation tax revenue because of
20 an agreement that violates this Section may file an action in
21 circuit court against the county. Any agreement entered into
22 prior to June 1, 2004 is not affected by this amendatory Act of
23 the 93rd General Assembly. Any unit of local government that
24 prevails in the circuit court action is entitled to damages in

1 the amount of the tax revenue it was denied as a result of the
2 agreement, statutory interest, costs, reasonable attorney's
3 fees, and an amount equal to 50% of the tax.

4 (b) On and after the effective date of this amendatory Act
5 of the 93rd General Assembly, a home rule unit shall not enter
6 into any agreement prohibited by this Section. This Section is
7 a denial and limitation of home rule powers and functions under
8 subsection (g) of Section 6 of Article VII of the Illinois
9 Constitution.

10 Section 10. The Illinois Municipal Code is amended by
11 adding Section 8-11-21 as follows:

12 (65 ILCS 5/8-11-21 new)

13 Sec. 8-11-21. Agreements to share or rebate occupation
14 taxes.

15 (a) On and after June 1, 2004, the corporate authorities of
16 a municipality shall not enter into any agreement to share or
17 rebate any portion of retailers' occupation taxes generated by
18 retail sales of tangible personal property if: (1) the tax on
19 those retail sales, absent the agreement, would have been paid
20 to another unit of local government; and (2) the retailer
21 maintains, within that other unit of local government, a retail
22 location from which the tangible personal property is delivered
23 to purchasers, or a warehouse from which the tangible personal
24 property is delivered to purchasers. Any unit of local
25 government denied retailers' occupation tax revenue because of
26 an agreement that violates this Section may file an action in
27 circuit court against the municipality. Any agreement entered
28 into prior to June 1, 2004 is not affected by this amendatory
29 Act of the 93rd General Assembly. Any unit of local government
30 that prevails in the circuit court action is entitled to
31 damages in the amount of the tax revenue it was denied as a
32 result of the agreement, statutory interest, costs, reasonable

1 attorney's fees, and an amount equal to 50% of the tax.

2 (b) On and after the effective date of this amendatory Act
3 of the 93rd General Assembly, a home rule unit shall not enter
4 into any agreement prohibited by this Section. This Section is
5 a denial and limitation of home rule powers and functions under
6 subsection (g) of Section 6 of Article VII of the Illinois
7 Constitution.

8 Section 99. Effective date. This Act takes effect upon
9 becoming law.".